

**MEMORANDUM OF UNDERSTANDING  
BY AND BETWEEN  
INTERESTED PARTIES DESIRING TO CONSIDER FORMING  
A GROUNDWATER SUSTAINABILITY AGENCY**

THIS MEMORANDUM OF UNDERSTANDING (this “MOU”) is made and entered into on this 11 day of May, 2015 (the “Effective Date”), by and between Interested Parties desiring to consider forming a groundwater sustainability agency (“GSA”). The parties whose names and authorized signatures appear below are each an “Interested Party,” and may be collectively referred to herein as “Interested Parties.”

**RECITALS**

A. WHEREAS, Senate Bills 1319 and 1168, and Assembly Bill 1739, collectively, the “Sustainable Groundwater Management Act” were signed by Governor Brown on September 16, 2014; and

B. WHEREAS, the Sustainable Groundwater Management Act (“SGMA”) sets statutory deadlines for compliance with the SGMA as follows: by January 31, 2015, the Department of Water Resources (“DWR”) shall declare the initial priority for each basin or sub basin; by January 1, 2016, DWR shall adopt regulations to revise basin boundaries; by June 1, 2016, DWR shall develop rules for evaluating and implementing a groundwater sustainability plan (“GSP”); by June 30, 2017, GSAs need to be identified and established for each basin and sub basin; and by January 1, 2020, the GSAs covering high and medium priority basins and sub basins need to manage those basins through a GSP; and

C. WHEREAS, the Interested Parties desire to formalize their intent to meet, review, analyze and determine the willingness among the Interested Parties to form a GSA to administer and implement a GSP.

NOW, THEREFORE, in consideration of the recitals set forth above, which are incorporated herein by this reference, and the mutual covenants and undertakings set forth herein, the mutual receipt and sufficiency of which is hereby acknowledged, the Interested Parties agree as follows:

1. Purpose. The purpose of this MOU is to document the willingness of the Interested Parties to work together to comply with the SGMA and its statutory timeline(s). This MOU is further intended to promote and provide a means to establish an orderly process by which the Interested Parties may share information, develop a course of action, and resolve any misunderstandings or differences that may arise.

2. Coordination. There shall be coordinating meetings between the Interested Parties held on a monthly basis, or as needed.

3. Obligations; Costs. It is agreed between the Interested Parties that information pertaining to groundwater management, depth to groundwater, and groundwater quality information from that area covered by each Interested Party, be shared and that all such data coordinated between the Interested Parties, to the extent such information is not considered

confidential. Each Interested Party shall bear the cost of its individual participation in this MOU, unless otherwise agreed to among the Interested Parties in writing.

4. Withdrawal. Any Interested Party may withdraw from this MOU by providing thirty (30) days written notice to the other Interested Parties.

5. Boundaries. It is the intent among the Interested Parties that this MOU addresses the area immediately east of the Kings River that is within the presently designated Kings Sub Basin and the boundaries of the agency shall include all land located within the exterior perimeter boundaries of Alta Irrigation District within Fresno and Tulare Counties, Orange Cove Irrigation District, Hills Valley Irrigation District, and Tri-Valley Water District overlying the San Joaquin Valley Basin, Kings Subbasin, as described in "California's Groundwater: Bulletin 118," updated in 2003.

6. Term. The term of this MOU shall commence on the Effective Date and shall continue unless rescinded in writing by all Interested Parties.

7. Other Agreements To Coordinate. The Interested Parties agree that it is acceptable, and not contrary to this MOU nor the formation of a Kings River East GSA, for Alta Irrigation District, Tulare County and Fresno County to enter into and/or participate in additional memoranda of understanding or coordination agreements with other public agencies overlying the Kings Subbasin, to coordinate efforts to implement SGMA. Representatives from Alta Irrigation District, Tulare County and Fresno County shall act as representatives for all of the Interested Parties and share information obtained through these coordination efforts with the other Interested Parties.

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8. This MOU may be executed in counterparts and all separately executed copies of this MOU shall be read and interpreted as one document. Signatures may be provided by PDF for facsimile.

IN WITNESS WHEREOF the Interested Parties have executed this MOU as of the date first above written.

**INTERESTED PARTY**

Name: Alta Irrigation District

By: Norman Waldner

Title: President

Date: May 21, 2015

**INTERESTED PARTY**

Name: ALTA I.D.

By: Chris M. Kephner

Title: General Manager / Secretary

Date: May 21, 2015

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**INTERESTED PARTY**

Name: Tricia Stever Blattler

By: 

Title: Executive Director  
Tulare County Farm Bureau

Date: May 11, 2015

**INTERESTED PARTY**

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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**INTERESTED PARTY**

Name: Orange Cove I. D.

By: [Signature]

Title: Engineer-Manager

Date: May 11, 2015

**INTERESTED PARTY**

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

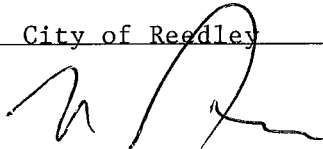
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**INTERESTED PARTY**

Name: City of Reedley

By:   
Nicole R. Zieba

Title: City Manager

Date: 5/19/15

**INTERESTED PARTY**

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

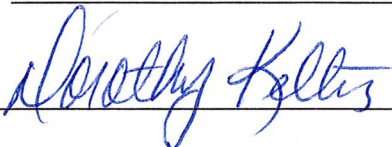
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**INTERESTED PARTY**

**INTERESTED PARTY**

Name: London Community Services District Name: \_\_\_\_\_

By:  By: \_\_\_\_\_

Title: President Title: \_\_\_\_\_

Date: May 12, 2015 Date: \_\_\_\_\_

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IN WITNESS WHEREOF the Interested Parties have executed this MOU as of the date first above written.

**INTERESTED PARTY**

Name: Michael Prado, Sr.

By: 

Title: President, Solana CSD

Date: June 4, 2015

**INTERESTED PARTY**

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



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INTERESTED PARTY

Name: J. Steven Worthley

By: J. Steven Worthley

Title: CHAIRMAN, BOARD OF SUPERVISORS

Date: 6/2/15

INTERESTED PARTY

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:  
COUNTY COUNSEL  
BY H.W.P.  
DEPUTY  
Matter No. 2015-438

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IN WITNESS WHEREOF the Interested Parties have executed this MOU as of the date first above written.

**INTERESTED PARTY**

Name: Armando Porras

By: Armando Porras

Title: President of the Board

Date: 6/30/15

**INTERESTED PARTY**

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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IN WITNESS WHEREOF the Interested Parties have executed this MOU as of the date first above written.

**INTERESTED PARTY**

Name: Armando Porras

By: Armando Porras

Title: President of the Board

Date: 6/30/15

**INTERESTED PARTY**

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**BYLAWS  
OF THE  
KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY**

**Adopted April 20, 2017**

**BYLAWS  
OF THE  
KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY**

**ARTICLE I  
ORGANIZATION**

1.01 **Name.** The name of this agency is the Kings River East Groundwater Sustainability Agency (hereinafter referred to as the “Agency”).

1.02 **Forming Statute.** The Agency was created by the Kings River East Groundwater Sustainability Agency Act, Senate Bill No. 37, approved on September 16, 2016, by the Governor of the State of California and filed with the California Secretary of State the same day (the “Act”). The Act establishes the Agency as a groundwater management agency in the Counties of Fresno and Tulare, sets the Agency’s boundaries, and amends Section 10723 of the Water Code. The Act became effective January 1, 2017.

1.03 **Purpose; Governing Principles.**

(a) The Agency’s purpose is to be the Groundwater Sustainability Agency (“GSA”), pursuant to the Sustainable Groundwater Management Act of 2014 (“SGMA”), for that portion of the Kings Subbasin that lies within the boundaries of the Agency. The Act requires the Agency to develop and implement a Groundwater Sustainability Plan (“GSP”) to achieve sustainable groundwater management within the Agency’s territory.

(b) The Agency shall only exercise the powers granted by the Act and the SGMA for purposes of groundwater management within the Agency’s boundaries, together with any other powers as are reasonably implied, necessary, and proper to carry out the objectives and purposes of the Agency to implement the SGMA.

(c) The Agency shall abide by the rules and regulations promulgated by the California Department of Water Resources (“DWR”) and the State Water Resources Control Board (“SWRCB”) to implement the SGMA.

1.04 **Bylaws.** A copy of the Agency’s Bylaws shall be kept at the Agency’s Principal Office and shall be open to inspection by the public at all reasonable times during office hours. As provided for in Section 8.01 below, the Bylaws of the Agency may be amended, added to, or repealed by a two-thirds (2/3rds) vote of the Board of Directors (the “Board”) at any meeting of the Board, provided that notice of the proposed change or changes is in the notice for the regular or special meeting.

**ARTICLE II  
OFFICES**

2.01 **Principal Office.** The principal office for the transaction of the activities and affairs of the Agency (the “Principal Office”) is located at 289 North L Street, Dinuba,

California 93618. The Board may change the Principal Office from one location to another. This Section 2.01 may be amended to state the new location.

2.02 **Board Meeting Location.** The principal location of the Board meetings will be at City of Dinuba's Council Chambers, located at 405 East El Monte Way, Dinuba, California 93618. The Board may change the location of the Board meetings from one location to another. This Section 2.02 may be amended to state a new meeting location.

2.03 **Other Offices.** The Board may at any time establish branch or subordinate offices at any place or places, within or outside the Agency's boundaries, where the Agency is qualified to conduct its activities.

### **ARTICLE III** **DIRECTORS**

#### **3.01 Governing Board.**

(a) The Agency shall be governed by a Board of Directors (each a "Director") that shall consist of seven (7) members from among the following entities (each a "Member Entity") that shall be chosen as follows:

- (i) One Director shall be chosen by Alta Irrigation District.
- (ii) One Director shall be chosen by the County of Fresno.
- (iii) One Director shall be chosen by the County of Tulare.

(iv) One Director shall be chosen by the Cities of Dinuba, Orange Cove, and Reedley (the "cities"). This Director shall be chosen from the members of the city councils of the cities whose territory, at least in part, overlies the territory of the Agency.

(v) One Director shall be chosen from the members of the governing boards of the following special districts that are not governed by the Board of Supervisors of either Fresno or Tulare Counties, are engaged in water activities, and whose territory, at least in part, overlies the territory of the Agency:

- (A) Hills Valley Irrigation District;
- (B) Orange Cove Irrigation District;
- (C) Tri-Valley Water District; and
- (D) Kings River Water District.

(vi) One Director shall be chosen from the members of the governing boards of special districts that provide drinking water within the Agency's territory.

(vii) One Director shall be chosen by the other six (6) Directors of the Board to represent agricultural interests within the territory of the Agency. This Director shall reside and be actively and primarily engaged in production of agriculture (meaning the person must derive at least 75% of his or her annual income from production agriculture) within the Agency's territory. This Director shall be selected from a list of at least five (5) nominations submitted from the Fresno County Farm Bureau and the Tulare County Farm Bureau, acting jointly, but the five (5) nominees need not be members of either organization.

(b) The Directors described in paragraphs (i), (ii), and (iii) of subdivision (a) shall be chosen by their respective governing boards from their board members whose districts or divisions overlie, at least in part, the territory of the Agency.

(c) The Directors described in paragraph (iv) of subdivision (a) shall be chosen at a public meeting where each city is represented by its mayor.

(d) The Directors described in paragraphs (v) and (vi) of subdivision (a) shall be chosen at a public meeting where each special district is represented by the president or chair of its governing board.

(e) There shall be an alternate for each Director (each an "Alternate"), chosen in the same manner and by the same Member Entity as the Director. The Alternate shall act in place of the Director for whom he or she is an alternate in the event that Director is absent, unable to act, or removed from being a Director.

### 3.02 **Director Terms.**

(a) The Directors described in paragraphs (i) to (vi), inclusive, of subdivision (a) of Section 3.01 shall serve for a four-year term of office or until the member is no longer an eligible official of the Member Entity. These Directors may serve for more than one term of office.

(b) The Director described in paragraph (vii) of subdivision (a) of Section 3.01 shall serve a four-year term of office.

3.03 **Removal of Directors.** Directors and Alternates of the Board shall serve at the pleasure of the Member Entity appointing him or her and may be removed or replaced as follows:

(a) Directors and Alternates may be removed or replaced at any time by the appointing governing board of their Member Entity;

(b) Directors may be removed by the Board for failure to attend at least three consecutive Board meetings without excuse (e.g. illness, medical or family emergency, jury duty, other legally required appearance); and

(c) Directors and Alternates described in paragraphs (i), (ii), (iii), and (iv) of subdivision (a) who cease to be board members of their respective governing

boards (or city councils in the case of paragraph (iv) of subdivision (a)) shall be automatically removed from the Board and their seat shall be deemed vacant.

(d) Directors and Alternates described in paragraph (v) and (vii) of subdivision (a) who cease to meet the qualifications for a Director described in paragraph (v) and (vii) of subdivision (a), respectively, shall be automatically removed from the Board and his or her seat shall be deemed vacant.

3.04 **Vacancies.** Should a Director's seat become vacant, the Alternate shall act in place of the Director until a new Director is appointed to fill the vacancy. The vacancy of a Director or Alternate shall be filled in the same manner as the initial appointment for that Director's or Alternate's seat, in accordance with the provisions of Section 3.01.

3.05 **Compensation.**

(a) The Board may adopt an ordinance to provide compensation to Directors in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the Board or for each day's service rendered as a Director by request of the Board. For purposes of this subdivision (a), the determination of whether a Director's activities on any specific day are compensable shall be made pursuant to Article 2.3 (commencing with Section 53232) of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code. In the event the Board adopts an ordinance providing compensation, a Director shall not be compensated for more than a total of ten (10) days in any calendar month.

(b) Reimbursement for expenses of Directors is subject to Sections 53232.2 and 53232.3 of the Government Code.

3.06 **Officers.** The officers of the Agency are the Chair, Vice-Chair, Secretary, and a Treasurer, if any. The offices of Secretary and Treasurer may be held by the same person. Officers may delegate certain duties and responsibilities to staff in accordance with these Bylaws and/or Board resolutions, and in compliance with all applicable laws.

(a) The Board shall, at its first meeting following January 1 of each year, elect a Chair and Vice-Chair from among its members. The Vice-Chair shall assume the responsibilities of the Chair in the absence of the Chair.

(b) The Secretary will (i) keep or cause to be kept, at the Principal Office or such other place as the Board may direct, a book of summary minutes of all meetings and actions of Board and committees of the Agency, with the time and place of holding, whether regular or special, and if special, how authorized, the notice given, the names of those present at such meetings and the proceedings of such meetings; and (ii) give, or cause to be given, notice of all meetings of the Board and committees of the Agency required by the Bylaws to be given. The Secretary shall have such other powers and may perform such other duties as may be prescribed by the Board.

(c) The Board shall designate a qualified person to act as the Treasurer of the Agency. In the event the person designated by the Agency is not a member of the



Board, the person serving as Treasurer may be reasonably compensated for performing such work. The Treasurer of the Agency shall have charge of the depositing and custody of all funds held by the Agency. The Treasurer shall perform such other duties as may be imposed by provisions of applicable law, including those duties described in Government Code section 6505.5, and that may be prescribed by the Board or these Bylaws.

(d) The Agency may contract with Alta Irrigation District, the County of Fresno, or the County of Tulare for staff and other services. In the event the person designated by the Agency to perform the duties of the Treasurer is an employee of Alta Irrigation District, the County of Fresno, or the County of Tulare, the governing body thereof shall determine the reasonable charges to be made against the Agency for the services of the Treasurer.

(e) The Agency may hire contractors and consultants as it considers appropriate. Officers may delegate certain duties and responsibilities to staff and/or consultants in accordance with these Bylaws and/or Board resolutions, and in compliance with all applicable laws. In addition to, or in lieu of, hiring employees, the Agency may engage one or more third parties to manage any or all of the business of the Agency on terms and conditions acceptable to the Board. Any third party so engaged shall have such responsibilities as are set forth in the contract for such third party's services.

#### **ARTICLE IV** **MEETINGS**

4.01 **Regular Meetings.** The Board shall hold regular meetings during the calendar year. Such meetings shall be on the third Thursday of every calendar month commencing at the hour of 2:00 p.m., or the Board may annually adopt a schedule of regular meetings at the beginning of the calendar year.

4.02 **Special Meetings.** Special meetings may be called in accordance with the Ralph M. Brown Act, codified at California Government Code section 54950 *et seq.*, as amended (the "Brown Act"). The written notice for the special meeting shall specify the business for which the special meeting is called and no other business shall be transacted at that meeting.

4.03 **Compliance with the Ralph M. Brown Act.** All regular and special meetings of the Agency's Board shall comply with the Brown Act.

4.04 **Quorum.** A simple majority of the Board constitutes a quorum of the Board for the transaction of business and a simple majority vote of that quorum shall be required for action to be taken, unless otherwise specified in these Bylaws.

4.05 **Committees.** The Board may establish standing committees and ad hoc committees as it deems necessary. The Board shall establish membership of those committees. The Board may also dissolve any committee it deems no longer necessary.

## **ARTICLE V**

### **POWERS**

5.01 **GSA Powers.** The Agency may undertake all actions required by DWR and the SWRCB for GSA purposes under SGMA. The Agency may conduct research and investigations to compile appropriate reports for preparing a GSP, and for developing Coordination Agreements, as defined in Water Code section 10721, with other GSAs. The Agency may develop, adopt and implement a GSP and impose fees as authorized by SGMA.

5.02 **Act Powers; SGMA GSA Powers.** The Agency shall have all the powers granted by the Act and the SGMA for purposes of groundwater management within the Agency's boundaries, together with any other powers as are reasonably implied, necessary, and proper to carry out the objectives and purposes of the Agency to implement the SGMA.

5.03 **Employees; Consultants; Legal Counsel.** The Board shall have the power to employ engineers, surveyors, and others as may be necessary to: (i) survey, plan, locate, or supervise the construction or repair of, the improvements necessary to carry out the purposes for which the Agency was formed; (ii) construct, maintain and keep in repair any and all improvements, requisite or necessary to carry out the purposes of the Agency; and (iii) do any and all other acts and things necessary or required for the protection of the lands in the Agency's boundaries or for the spreading, conserving, storing, retaining or causing to percolate into the soil within the Agency any waters. The Board shall have the power to hire or employ legal counsel and/or other professionals that the Board deems necessary or advisable to carry out the Agency's purposes.

5.04 **Accounting.** The Board shall establish and maintain funds and accounts pursuant to Generally Accepted Accounting Principles and by Federal and State statutes and regulations, as applicable. The Agency shall comply with the accounting and auditing requirements contained in California Government Code sections 6505-6505.6.

5.05 **Auditor.** The Board shall appoint one of its officers to serve as auditor of the Agency. The auditor shall comply with the duties and responsibilities of the office as set forth in subdivisions (a) to (d), inclusive, of California Government Code section 6505.5. The Treasurer also has the authority to contract with a certified public accountant to make an annual audit of the accounts and records of the Agency, which shall be conducted in compliance with Section 6505 of the California Government Code.

## **ARTICLE VI**

### **FISCAL YEAR**

6.01 **Fiscal Year.** The fiscal year for the Agency shall begin on October 1<sup>st</sup> and end September 30<sup>th</sup> of the following year. The Agency may change the fiscal year by a majority vote of the Board.

**ARTICLE VII**  
**CONFLICTS OF INTEREST**

7.01 **Conflicts of Interest.** Except as otherwise provided in Section 3.06 subdivisions (d) and (e), and as provided in the Act, pursuant to Government Code section 1090, Directors and officers shall not have an interest in any contract made by the Agency.

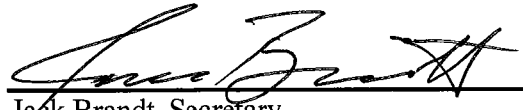
**ARTICLE VIII**  
**REVIEW AND AMENDMENT**

8.01 These Bylaws shall be reviewed biennially and may be altered, amended, repealed, added to, or deleted from, at any regular or special meeting of the Board, with the approval of a two-thirds (2/3rds) vote of the Board.

### CERTIFICATE OF ADOPTION

I, the undersigned, certify that I am the duly appointed and authorized Secretary of the KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY (the "Agency"), and the above stated Bylaws, consisting of eight (8) pages, are the Bylaws of this Agency as approved by the Agency's Board on 20<sup>th</sup> day of April, 2017.

IN WITNESS WHEREOF, I have executed this Certificate on this 20<sup>th</sup> day of April 2017.

  
\_\_\_\_\_  
Jack Brandt, Secretary  
Kings River East Groundwater Sustainability  
Agency

